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October 8, 1998

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## BY HAND DELIVERY

**EX PARTE** 

Ms. Magalie Roman Salas Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554

Re: Application of SBC Communications, Inc. and Ameritech Corporation for Authority to Transfer Control of Certain Licenses and Authorizations,

CC Docket No. 98-141 -- Notice of Ex Parte Presentation

Dear Ms. Salas:

Pursuant to Section 1.1206 of the Commission's rules, Ameritech Corporation

("Ameritech") hereby submits this notice of an oral ex parte presentation in the above-referenced permit-but-disclose proceeding. On October 6, 1998, Richard Hetke, Jason Weller, Greg Brown, Nancy Wittebort, Mark Lipton and Lynn Starr of Ameritech and Antoinette Cook Bush and Mark Del Bianco of Skadden, Arps, Slate, Meagher & Flom LLP met with Don Stockdale, Radhika Karmarker, Audrey Wright, Jennifer Fabian, To-Quyen Truong and Bill Dever of the Common Carrier Bureau and Tom Krattenmaker, Bill Rogerson, Marilyn Simon, Johnson Garrett, Patrick DeGraba and Pamela Megna of the Office of Plans and Policy to discuss certain issues raised by Ameritech's transfer of control application.

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The meeting was requested by the Commission staff to discuss the history and status of Ameritech's out of region activities, particularly its plan to offer Managed Local Access services to large business customers.

Mr. Weller reviewed the development of AIT's out-of-region corporate strategy between 1992 and 1998. He described the company's three-part strategy of improving the core business, following your customer and expanding service offerings. This strategy led to the development of Ameritech's out-of-region long distance, cable, international investment and security monitoring lines of business ("LOBs"). Mr. Weller described these LOBs and two other LOBs, pay phones and Custom Business Services, that have out-of-region components. Mr. Weller also discussed the numerous out-of-region opportunities the company has examined and rejected over the last six years. In response to a question from staff, Mr. Weller explained how recent changes in the telecommunications industry, particularly the development of national carriers in long distance, wireless and even local exchange services, had made the National/Local plan viable as a business case where earlier out-of-region CLEC ventures had not been. He also pointed out that the same changes were occurring internationally.

Mr. Brown explained the operations of his unit, the Custom Business Services ("CBS") unit that serves Ameritech's largest 200 customers. His unit provides, among other services, Managed Services, a portfolio of products and services that essentially outsources the voice telecommunications needs of large customers. Managed Local Access ("MLA") is one of four services in the Managed Services suite. MLA, which is a management service that involves optimization of the customer's local access network and the provision of resold local service, was taken by only one CBS customer, has not been successful as an offering and has in fact been discontinued.

Ms. Wittlebort described the procedure followed by Ameritech to obtain long distance and local exchange certification in each state. She explained that the process was driven by the needs of the business clients, CBS and Ameritech wireless. She agreed to provide in the near future a list of the states in which Ameritech has filed for CLEC certification and the status of each filing.

Mr. Lipton described the process by which Ameritech negotiated interconnection agreements in the various states. He pointed out that in each state Ameritech opted to select

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("MFN") the terms of an existing agreement pursuant to 47 U.S.C. § 252(i). He also agreed to provide a list of existing out-of-region interconnection agreements.

Copies of this Notice of Ex Parte Presentation have been provided to the abovereferenced persons and served on each known party to this proceeding. An original and one copy have also been submitted to the Secretary's office.

Respectfully submitted,

Antoinette Cook Bush Counsel for Ameritech

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## CERTIFICATE OF SERVICE

This is to certify that the attached document has been served by first class mail,

postage prepaid, on this 8th day of October, 1998, on the following:

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